

- 1 Q. Please provide updated rate base calculations for each of the years 2003  
2 and 2004 in the format provided in response to NP-91 NLH.  
3  
4  
5 A. Please refer to attached schedule.

NEWFOUNDLAND AND LABRADOR HYDRO  
CALCULATION OF PLANT INVESTMENT and RATE BASE  
1998-2004  
(\$000)

**PLANT INVESTMENT**

	2003		2004	
	As Filed	Oct. Rev.	As Filed	Oct. Rev.
1 Power Generation				
2 -Thermal	183,679	181,375	184,407	182,103
3 -Hydro	844,210	843,790	846,737	845,197
4 -Diesel	63,804	63,755	64,540	61,643
5 -Gas Turbine	45,884	45,884	45,884	45,293
6 Total	1,137,577	1,134,804	1,141,568	1,134,236
7				
8 Substations	168,610	167,665	170,640	169,659
9 Transmission	304,794	303,857	308,817	307,879
10 Distribution	135,454	140,184	139,511	144,417
11 General Properties	80,526	79,939	86,298	83,792
12 Transportation	12,350	12,350	12,825	12,825
13 Communications	58,907	59,264	60,469	60,826
14 Computer Software	14,121	13,892	14,857	14,624
15 Computer Hardware	8,910	8,910	9,154	9,154
16				
17 Total Depreciable Plant	1,921,249	1,920,865	1,944,139	1,937,412
18				
19 Non-Depreciable Land/Plant	3,531	3,592	3,531	3,592
20				
21 Total Plant	1,924,780	1,924,457	1,947,670	1,941,004
22				
23 Construction Work In Progress	55,403	55,893	69,299	66,530
24				
25 Total Plant Investment	1,980,183	1,980,350	2,016,969	2,007,534

NEWFOUNDLAND AND LABRADOR HYDRO  
CALCULATION OF PLANT INVESTMENT and RATE BASE  
1998-2004  
(\$000)

	2003		2004	
	As Filed	Oct. Rev.	As Filed	Oct. Rev.
<b>Rate Base Calculation</b>				
26 Plant Investment Less CWIP	1,924,780	1,924,457	1,947,670	1,941,004
27				
28 <b>Deduct:</b>				
29 <b>Accumulated Depreciation</b>	465,334	464,334	497,452	494,881
30 <b>Customer Contributions</b>	11,916	11,916	12,187	12,187
31 <b>Government Contributions</b>	74,752	74,752	74,210	74,210
32 <b>Add/Deduct Other Items</b>	2,089	2,089	2,084	2,084
33	554,091	553,091	585,933	583,362
34				
35 <b>Net Plant Investment</b>	1,370,689	1,371,366	1,361,737	1,357,642
36				
37 <b>Deferred Realized Foreign Exchange Loss (net of provision)</b>	81,964	81,964	79,807	79,807
38 <b>Cash Working Capital Allowance - 3%</b>	3,625	3,504	3,075	3,084
39 <b>Inventories</b>	35,817	37,003	31,621	33,453
40				
41 <b>Rate Base at Year End</b>	1,492,095	1,493,837	1,476,240	1,473,986

**Notes:**

1. Working capital allowance of 3% of Operating, maintenance and power purchases was developed based on lead/lag study performed relative to 2001 and 2002 expenses
2. Hydro uses 13 month averages for inventory balances for rate base purposes, not the year-end balances requested above